

**August 8, 2006**

SUBJECT: Award of Contract for Four Library Self-Check Machines (F0607-05)

REPORT IN BRIEF

Approval is requested for the award of a contract to 3M Library Systems of St. Paul, Minnesota, to furnish and install three replacement self-service book checkout machines and a fourth new self-service workstation at the Public Library for the Information Technology Department.

BACKGROUND

The contract for the three existing 3M Model 6210 patron self-check machines was awarded by Council on April 16, 2002 (RTC No. 02-124) and included the purchase of three self-service stations with a proprietary interface that ties the 3M System to the Innovative Interfaces, Inc., automated application software used by the Public Library. These three systems have been in almost continuous use since they were installed and have reached the end of their useful life.

DISCUSSION

The existing Model 6210 is no longer available. Therefore, 3M has proposed upgrading the self-check stations by replacing the three existing stations with the 3M SelfCheck System Model V2, a new product which has improved technology and claims less than one in 10,000 false alarms. The Model V2 uses Microsoft Windows XP which is the standard operating system used by the City's desktop computers. In addition, the Model V2 uses standard components rather than the custom-built Model 6210 self check stations that are being replaced. The proposal includes four languages, enabling the City to add languages, such as Korean, Vietnamese, or Russian, to the two languages (Chinese and Spanish) available on the existing units.

Additional enhancements available to Library patrons with the Model V2 include an intuitive touch screen, an option to either print or e-mail a list of items checked out, and a "V" shaped counter to make placement of materials fast and easy. The new model also provides multiple book detection to protect against accidental desensitization of materials which have not been properly checked out.

Currently, approximately 26 percent of the Library's total circulation is accomplished through self-check machines. Use has been declining since July 2004 when a fee for feature films was introduced which prevented check out of films from the self-check machines. With Council's adoption of the FY 2006/2007 budget and the elimination of the feature film fee, patrons now have the self-service option for greater convenience when checking out library materials; and self-check use is expected to increase. The easy-to-use design of the Model V2 is expected to help patrons have an intuitive, effortless experience while checking out materials.

The cost of the Model V2 is less than the 2002 cost of the Model 6210. The City purchased the three Model 6210 stations for \$65,231 while the cost of the three replacement Model V2 stations is \$51,414 for a savings of \$13,817.

Staff recommends the purchase of a fourth self-check workstation with funds provided by the Friends of the Library. This additional self-check machine will be placed directly outside the Children's room where heavy patron usage is anticipated. This self-check machine is expected to be particularly helpful for parents to monitor their children while checking out library materials; and many parents like to have their children share in the library experience by helping them use the self-check machines.

Current maintenance costs for the three Model 6210 self-check stations are \$10,506 per year. Since 3M can remotely access the Model V2 for troubleshooting and maintenance, there is a cost savings of approximately 50 percent, or \$5,886 for the three existing machines. As a result, the maintenance cost of \$1,540 for the fourth Model V2 being purchased by the Friends of the Library can be absorbed within the existing operating budget resulting in a net decrease overall of \$4,346 in annual maintenance costs for the equipment.

Replacement of the three existing self-check stations with the Model V2 and the addition of the fourth self-check station will enable the Library to begin implementation of its "library marketplace" strategy, which includes improving traffic flow for patrons entering the building and for checking out library materials.

Section 2.08.070(b) of the Sunnyvale Municipal Code exempts from competitive bidding situations where the City's requirements can be met solely by a single patented, copyrighted or proprietary article available from a single source. In this case, the new equipment must be compatible with the 3M Barcoding System, 3M Security Check equipment and the Innovative Interfaces, Inc., software currently in operation. There is no commercially available substitute, and the replacement equipment is available only directly from 3M Library Systems.

FISCAL IMPACT

Total cost to the City for the four self-service units will be \$84,594 (includes sales tax, estimated shipping charges and a one-year maintenance agreement). Funds are available in Information Processing Hardware Replacement Account No. 021600 for the purchase of the three replacement units and Friends of the Library Donations Account No. 890190 for the purchase of one additional unit. Funds are available for the one-year maintenance agreement, as well as the ongoing maintenance, in Information Technology Provide and Maintain Office Equipment Account No. 775100.

RECOMMENDATION

It is recommended that Council award a contract to 3M Library Systems of St. Paul, Minnesota, in substantially the same form as the attached draft purchase order and in the amount of \$84,594, to furnish and install four library patron self-service book checkout machines.

Prepared by:

Elaine Wesely
Purchasing Officer

Reviewed by:

Mary J. Bradley
Director, Finance

Reviewed by:

Shawn Hernandez
Director, Information Technology

Reviewed by:

Deborah Barrow
Director, Library

Approved by:

Amy Chan
City Manager

Attachment

Draft Purchase Order



CITY OF SUNNYVALE CALIFORNIA

DRAFT

PURCHASE ORDER NO PO001335 Page 1 of 1

ORDERED FROM: 00264 - 002 Phone: (800)328-0067 3M Library Systems 3M Center Bldg 225-4N-14 St Paul MN 551441000	ORDER DATE 07/26/2006	BILL TO: City of Sunnyvale Finance Department Accounts Payable PO Box 3707 Sunnyvale CA 94088-3707
	DELIVERY DATE 08/31/2006	
	PAYMENT TERMS N/30	
	BID/RFQ NO	

DELIVER TO: IT/Information Technology Services 650 W Olive Ave Sunnyvale CA 94086 Phone: (408)730-7557	FOB	FREIGHT CHARGES Destination, freight prepaid and added
	DEST ADD	REQUISITIONER
	REQ. NO	
CHARGE/OBJ CODE(S) See Description Below		

ITEM	DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL
1	V2 SelfCheck-No Cabinet (Installation and two languages included).	3.00	EA	15797.0000	47391.0000
2	One year on-site service with Firewall Access.	4.00	EA	1540.0000	6160.0000
3	V-Series Cabinetry with Laminate Top.	3.00	EA	1341.0000	4023.0000
4	V-Series Cabinetry with Laminate Top.	1.00	EA	1785.0000	1785.0000
5	V2 SelfCheck-No Cabinet (Installation and two languages included).	1.00	EA	17402.0000	17402.0000
The new v2 SelfCheck and Cabinetry (Items 4 and 5) are offered at a smaller discount than the three replacement units (Items 1 & 3). Two additional languages for each V2 SelfCheck shall be offered at no cost.					
6	Shipping	1.00	LOT	1500.0000	1500.0000
7	Sales Tax (8.25%)	1.00	LOT	6332.7900	6332.7900
Requisition Number: RQ001391 Requisitioner: Marilyn Crane 408-730-7557 Vendor Contact: Konrad Siefker					
This purchase order is subject to the City of Sunnyvale Standard Terms and Conditions for the Purchase of Goods, dated 1/15/2000, a copy of which is attached and incorporated by reference (Form #TCPO-G).					
Approved by City Council 8/8/2006, RTC #__.					

021600	5050	\$57,161.81
890190	5050	\$19,187.00
890190	5050	\$2,084.98
775100	51000	\$6,160.00

TOTAL **\$84,593.79**

BUYER

Howard, Dreama

Phone(408)730-7396 Fax(408)730-7710